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October 7, 2010

TO: Files

FROM: Paul Baker, Minerals Program Manager *PB*

SUBJECT: Documentation of Surety Amount and Escalation Date, Interstate Brick, Montello Mine, M/003/0004, Box Elder County, Utah

The FoxPro database shows 2025 as the due date for escalating the bond for this site. This date is correct. The surety amount was originally calculated June 27, 1977, with an estimate of \$27,553.00, and this figure was escalated 48 years (2025) at 5 percent per year to \$286,586.00. Interstate Brick has a contract with the Board of Oil, Gas and Mining, so there is no actual surety.

I recommend that the lead inspector for Box Elder should try to locate the Board contract and make sure its terms are being met. I was not able to find a copy of the contract in the files in the Public Information Center.

O:\M003-BoxElder\M0030004-Montello\final\memo-bond-10072010.doc

